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DCI/ICS 83-3460 15 August 1983

LOGGED

MEMORANDUM FOR: Acting Director of Central Intelligence

8 AUG 1983

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FROM:

4-11-4-6-1

Executive Secretary, SIG(I)

SUBJECT:

Proposed NSC Policy Memorandum: Foreign-owned U.S. Firms

Involved in Classified Government Contracts

REFERENCE:

Memo to Chairman, SIG(I) from Chairman, IG/CM

dated 14 June 1983, subject same as above

1. Action Requested: That you sign the transmittal letter (attached) to Judge Clark, signifying your approval and endorsement of the proposed policy memorandum.

2. Background: I have circulated General Stilwell's memorandum addressed to the DCI, dated 14 June 1983 and the proposed policy memorandum to SIG(I) members for their personal review and comment. The SIG(I) members have concurred in the draft as written.

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Attachment:

Transmittal Letter

SUBJECT: Proposed NSC Policy Memorandum: Foreign-owned U.S. Firms Involved in Classified Government Contracts

Distribution: (DCI/ICS 83-3460)

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Approved For Release 2009/06/01 : CIA-RDP85M00158R000500090005-5 The Director of Central Intelligence

Washington, D. C. 20505

DCI/ICS 83-3461 18 AUG 1983

The Honorable William P. Clark Assistant to the President for National Security Affairs The White House Washington, D.C. 20500

Bill:

As part of its policy review, the Interagency Group/Countermeasures (IG/CM) under General Stilwell has examined policy pertaining to industrial security. The IG/CM concluded that there is no uniform policy statement with respect to providing classified information to U.S. contractors under foreign ownership, control, or influence. Moreover, it has been determined that some federal agencies having information on such foreign ownership, control or influence were often reluctant to provide this information to security organizations for the purpose of assessing the threat of compromise.

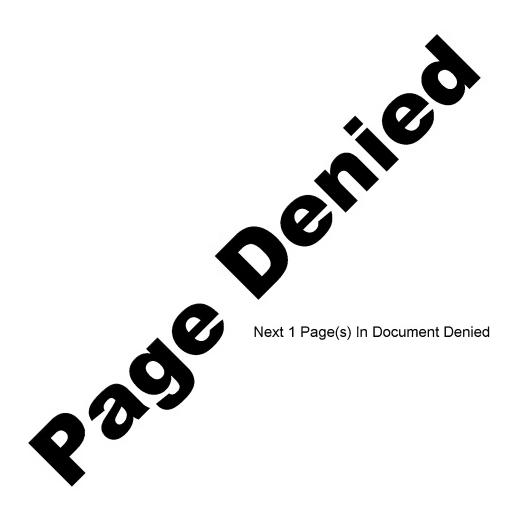
The proposed policy memorandum (enclosed) was developed by the IG/CM and is intended to address this problem. The SIG(I) members have concurred in the draft memorandum as written. Also, this form of issuance is deemed preferable by both bodies to amending Executive Order 12356 regarding security classification.

I endorse this proposal for your consideration.

Sincerely,

John N. McMahon Acting Director

Enclosure



Ltr to Judge Clark re - Proposed NSC Policy Memorandum: Foreign-owned U.S. Firms Involved in Classified Government Contracts

Distribution: (DCI/ICS 83-3461)

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